



# CLINTON **CLIMATE** INITIATIVE

## **Fact Sheet – Energy Efficiency Building Retrofit Program**

The Clinton Foundation has partnered with city governments, energy service companies, financial institutions, and trade organizations to launch a landmark program aimed at significantly reducing energy use in buildings, which are responsible for over 50 percent of greenhouse gas emissions in most cities and over 70 percent in mature cities, such as New York and London.

One important way for cities to reduce energy use and greenhouse gas emissions is to retrofit their existing buildings with more energy efficient products and technologies. These retrofits can reduce energy use by 20 to 50 percent in existing buildings, and they pay for themselves over several years through the resulting cost savings on energy bills.

The four largest energy services companies (ESCOs) in the world – Honeywell, Johnson Controls, Inc, Siemens and Trane – have agreed to scale up their capacity to do large numbers of building retrofits across C40 partner cities that are participating in the program. They also have agreed to provide “performance guarantees” to financially guarantee the energy savings that will result from their retrofit projects.

Five major global financial institutions – ABN AMRO, Citi, Deutsche Bank, JPMorgan Chase, and UBS – have agreed to finance the first generation of retrofit projects. With this financing, cities and private building owners will be able to do audits and retrofits of their buildings at no net cost, with paybacks for the bank loans plus interest coming from the energy savings that retrofit projects achieve over several years. These banks have each committed to arrange \$1 billion for this effort, for a total pool of \$5 billion, which will more than double the total global market for energy saving retrofits in buildings.

Sixteen cities will be the first C40 partner cities to participate in the Energy Efficiency Building Retrofit Program: Bangkok, Berlin, Chicago, Houston, Johannesburg, Karachi, London, Melbourne, Mexico City, Mumbai, New York, Rome, Sao Paulo, Seoul, Tokyo, and Toronto.

These participating cities have committed to work with the Foundation and its expert partners to develop programs to audit their buildings and to implement retrofits that improve their energy efficiency. They also will implement a range of inducements to encourage private building owners to do audits and retrofits of their buildings.

Some participating cities will initiate, with assistance from CCI and its expert partners, programs to train local workers on the installation and maintenance of energy saving and clean energy products. In certain cities, these will include programs for minority contractors or for the long-term unemployed. The U.S. Green Building Council (USGBC) and the American Society of Heating, Refrigerating, and Air

Conditioning Engineers (ASHRAE) have agreed to help coordinate training programs in participating cities.

In the coming months, the Foundation will announce deals with companies that supply building materials and systems to lower the cost of their most energy efficient models.

As the Foundation and its partner cities begin to implement the Energy Efficiency Building Retrofit Program, it will be a priority to engage local companies and banks in partner cities in the program. This will enable us to increase the number of green products and services used in the building retrofits and the contributions to the funding pool.